

Business Owners Must Inform Customers about the Vermont Taxes on Meals and Alcohol


Businesses are required to give notice to their customers when the Vermont Meals and Rooms Tax is included in the pricing of food or served alcoholic beverages. This fact sheet gives additional information about this requirement.

Businesses Must Give “Notice” of Tax

Whenever businesses sell meals or serve alcoholic beverages and the Vermont Meals and Rooms Tax is included in the sales price, the customer must be notified about the tax. Businesses must do one of the following:

1. Provide a sign or signs, viewable by all customers of the type of tax charged.
2. Make a statement on the menu, price list, bill, or receipt, or indicate on the vending machine that the sales price includes the tax charged.

The sign or statement should read “All prices include the Vermont Meals and Rooms Tax.” This amount may include a 1% local option tax, as described below, in addition to the meals and rooms tax.



**All prices include
the Vermont Meals and
Rooms Tax**

In addition to the notice above, businesses must provide an itemized bill to any purchaser upon request.

Which Businesses Need to Give Notice?

All businesses that include the 9% meals tax, as well as the 10% alcohol tax, in their prices need to give notice. This includes, but is not limited to, the following:

- Restaurants and bars
- Hotels
- Mobile facilities such as street vendors and lunch wagons
- Vending machines
- Other businesses and facilities as described in 32 V.S.A. § 9202 (15)

Know the Pertinent Statutes and Regulations

Businesses owners should be familiar with laws and regulations that pertain to their business. For this topic, the relevant section of the Vermont Statutes can be found in 32 V.S.A. § 9242. The Statutes are available online at <http://legislature.vermont.gov/statutes/title/32>.

This fact sheet is also based on the Meals and Rooms Tax Regulation § 1.9242-2 (A)-(C), Required Notice of Tax Due, at www.bit.ly/vttaxregs.

Additional Local Option Taxes

Some municipalities in Vermont have adopted a 1% local option tax on meals, alcohol, and room rentals. The local option tax is in addition to the Vermont Meals and Rooms Tax. The list of municipalities which have adopted the local option tax can be found on our website at www.tax.vermont.gov in the Business and Corporate section.

For Additional Assistance

For more information, contact the Vermont Department of Taxes at (802) 828-2551, option 3, or tax.business@vermont.gov.